

ISDH Annual Fiscal Report of a Nonprofit Acute Care Hospital

Hospital: Memorial Hospital of South Bend

Year: 2003 City: South Bend Peer Group: Large

Statement One: Summary of Revenue and Expenses

1. Gross Patient Service Revenue		4. Operating Expenses	
Inpatient Patient Service Revenue	\$368,770,444	Salaries and Wages	\$95,211,424
Outpatient Patient Service Revenue	\$162,214,789	Employee Benefits and Taxes	\$25,563,885
Total Gross Patient Service Revenue	\$530,985,233	Depreciation and Amortization	\$14,407,493
2. Deductions from Revenue		Interest Expenses	\$4,337,573
Contractual Allowances	\$258,493,419	Bad Debt	\$14,887,670
Other Deductions	\$6,159,314	Other Expenses	\$104,297,343
Total Deductions	\$264,652,733	Total Operating Expenses	\$258,705,388
3. Total Operating Revenue		5. Net Revenue and Expenses	
Net Patient Service Revenue	\$266,332,500	Net Operating Revenue over Expenses	\$16,700,283
Other Operating Revenue	\$9,073,171	Net Non-operating Gains over Losses	\$7,024,856
		Total Net Gain over Loss	\$23,725,139

Total Operating Revenue	\$275,405,671
-------------------------	---------------

6. Assets and Liabilities	
Total Assets	\$431,407,111
Total Liabilities	\$431,407,111

Statement Two: Contractual Allowances			
Revenue Source	Gross Patient Revenue	Contractual Allowances	Net Patient Service Revenue
Medicare	\$202,870,181	\$135,436,168	\$67,434,013
Medicaid	\$66,114,920	\$46,001,414	\$20,113,506
Other State	\$4,321,208	\$3,045,847	\$1,275,361
Local Government	\$793,015	\$343,216	\$449,799
Commercial Insurance	\$256,885,909	\$73,666,774	\$183,219,135
Total	\$530,985,233	\$258,493,419	\$272,491,814

Statement Three: Unique Specialized Hospital Funds			
Fund Category	Estimated Incoming Revenue from Others	Estimated Outgoing Expenses to Others	Net Dollar Gain or Loss after Adjustment
Donations	\$0	\$212,307	(\$212,307)

Educational	\$386,238	\$5,436,883	(\$5,050,645)
Research	\$1,109,983	\$1,463,447	(\$353,464)

Number of individuals estimated by this hospital that are involved in education	
Number of Medical Professionals Trained In This Hospital	97
Number of Hospital Patients Educated In This Hospital	0
Number of Citizens Exposed to Health Education Message	0

Statement Four

Annual Summarized Community Benefit Statement on Nonprofit Hospital

This hospital is a nonprofit organization and files an annual community benefit statement with the Department under Indiana Code 16-21-9. Each nonprofit hospital must confirm its mission statement, document the number of persons and dollars allocated under its adopted charity care policy, and describe the progress of the community to achieve specific objectives set by the hospital.

County Location	St. Joseph	Community Served	St. Joseph County
------------------------	------------	-------------------------	-------------------

Hospital Mission Statement

Memorial Hospital will provide access to compassionate high quality health services and serve the regional community by offering needed health services.

Unique Services	Type of Initiatives	Document Available

Medical Research	YES	Disease Detection	YES	Community Plan	YES
Professional Education	YES	Practitioner Education	YES	Annual Statement	YES
Community Education	NO	Clinic Support	YES	Needs Assessment	1996

Allocation of Dollars and Persons Served under Adopted Charity Policy

Most nonprofit hospitals adopt a charity benefit policy to serve the medically indigent. On an annual basis, the hospital will confirm the eligibility and set aside dollars to ensure low-income persons can be offered needed inpatient and outpatient hospital services.

	2001	2002	2003
Persons served in last twelve months	2,321	2,181	2,799
Charity Care Allocation	(\$1,406,977)	(\$1,477,122)	(\$1,939,266)

Hospital Community Benefit Projects and the Projects' Net Cost

On an annual basis, all nonprofit hospitals will report on the progress that the local community has made in reducing the incidence of disease and improving the delivery of health services in the community.

Name of Program and Description of Progress Made in Achieving Annual Objectives	Net Costs of Programs
African American Women in Touch	(\$236,792)
Congregational Nursing – Health Education	(\$350,432)
School Based Health and Abstinence programming	(\$364,833)

Center for the Homeless – PEDS-Development Delay	(\$98,048)
Other Community-based Health Partnership	(\$2,972,060)

Summary of Unreimbursed Costs of Charity Care, Government Funded Programs, and Community Benefits

Based on uniform definitions of costs, each nonprofit hospital must identify the costs of serving its community that are not reimbursed by government and other third party payers.

Specialized Programs	Unreimbursed Costs
1. Total unreimbursed costs of providing care to patients unable to pay, to patients covered under government funded programs, and for medical education, training.	(\$2,388,068)
2. Community Health Education	\$0
3. Community Programs and Services	(\$1,743,845)
4. Other Unreimbursed Costs	(\$1,196,700)
5. Total Costs of Providing Community Benefits	(\$5,328,613)

Identification of Additional Non-Hospital Charity Costs

In addition, some hospitals will have non-hospital organizations under its ISDH license are providing community benefits in this fiscal year.

Organization Providing Charity Care	Net Costs of Care
--	--------------------------

Memorial E. Blair	(\$458,082)
-------------------	-------------

For further information on these initiatives, contact:

Hospital Representative: Margo DeMont

Telephone number: 574/647-1356

Web Address Information: www.qualityoflife.org

**ISDH STATISTICAL COMPARISON BETWEEN THIS HOSPITAL
AND OTHER HOSPITALS IN ITS PEER GROUP**

PERFORMANCE INDICATOR	METHODOLOGY	THIS HOSPITAL'S RESULTS	PEER GROUP AVERAGE
1. # of FTE's	Number of Full Time Equivalents	2,036	2,212
2. % of Salary	Salary Expenses divided by Total Expenses	36.8%	37.8%
3. Average Daily Census	Patient Days divided by annual days (365 days)	240.7	237.6
4. Average Length of Stay	Number of Patient Days divided by the Number of Discharges	5.0	5.1
5. Price for Medical/Surgical per stay	Total Medical/Surgical charges divided by Medical/ Surgical discharges	\$800	\$3,042

6. Gross Price per Discharge	Gross Inpatient Revenue divided by the Total Discharges	\$21,015	\$17,323
7. Outpatient Revenue Percentage	Outpatient Revenue divided by the Gross Total Revenue	30.5%	40.9%
8. Gross Price per Visit	Gross Outpatient Revenue divided by the Total Outpatient Visits	\$1,104	\$1,022
9. % of Medicare	Medicare Revenue divided by the Gross Patient Revenue	38.2%	37.8%
10. % of Bad Debt	Bad Debt Expense divided by the Gross Operating Expenses	5.8%	4.9%
11. Charity Allocation	Unreimbursed costs of providing services to patients under adopted charity policy	(\$2,388,068)	(\$10,021,313)
12. Net Margin	Excess of Revenue over Expenses divided by the Total Operating Revenue	6.1	4.3

Notes:

1. NR = Not Reported
2. See Statewide Results for definitions of terms.